EPA NEP Funding: Watershed Protection and Restoration Grant Updated July 25, 2011

Context

In 2010, the Environmental Protection Agency (EPA) solicited a Request for Proposals (RFP) to implement priority work consistent with the 2020 Action Agenda for the protection and restoration of Puget Sound. The RFP solicited proposals from applicants that would serve as a Lead Organization (LO) for one of four areas of emphasis. The selected lead organizations are expected to manage projects through contracts and sub-awards, giving priority to projects that implement priority actions. The period of effort for the RFP is six years. EPA selected LOs to coordinate six-year efforts to develop and implement strategies in the four areas of emphasis:

- Marine and nearshore protection and restoration (LOs Departments of Fish & Wildlife and Natural Resources).
- Watershed protection and restoration (LOs Departments of Ecology and Commerce).
- Toxics and nutrients prevention, reduction and control (LO Department of Ecology).
- Pathogen prevention, reduction, and control (LOs Departments of Health and Ecology).

For the first year (Round 1), EPA allocated \$3 million to each of the four grants. EPA is providing an additional \$5.5 million in the second year (Round 2). All federal grant money is matched dollar-for-dollar by state money. Future funding levels are in part dependent on demonstration by the selected LOs to EPA and Congress that funds can be expeditiously and appropriately expended with significant measureable results.

Overall Strategy

The primary focus of the watershed grant is to protect and restore ecosystem processes, structures, and functions within the watersheds of Puget Sound. We will direct funds to accomplish the following goals:

- Implement a comprehensive, integrated watershed protection and restoration strategy that advances ecosystem recovery and increases ecosystem resiliency to changing climate conditions.
- Implement a comprehensive, integrated watershed approach to protecting hydrological processes and managing stormwater to reduce stormwater-related impacts.
- Reduce conversion of ecologically significant rural and working lands.
- Direct growth to existing urban growth areas and encourage development practices that restore and protect Puget Sound.

Ecology and Commerce are developing a six-year implementation strategy for this grant. This strategy will be based on working in partnership with local governments, tribal governments and other regional entities to implement practical solutions that advance the priorities of the Puget Sound Action Agenda toward achieving the ecosystem recovery targets set by Puget Sound Partnership. We will implement programs across four activity areas:

- Watershed Characterization,
- Land Use and Working Lands,
- Strategies to Manage Stormwater, and
- Strategies for Protection and Restoration of Watersheds.

Strategic Advisory Committee

Ecology, Department of Fish and Wildlife, and the Puget Sound Partnership formed a Strategic Advisory Committee to provide guidance concerning priorities and processes for making sub-awards. The committee consists of partners at the federal, tribal, state, and local levels and non-governmental organizations, academia, and business. The committee provides guidance to:

- · Ecology on the Watershed Protection and Restoration grant,
- Department of Fish and Wildlife on the Marine and Nearshore Protection and Restoration grant,
- Puget Sound Partnership on Action Agenda update issues.

The advisory group (1) serves as a sounding board and vetting forum for staff from the Partnership and Lead Organization core teams, (2) helps create consistency and synergy between 6-year strategies and Action Agenda, (3) supports cross Partnership-board coordination, provides timely advice and feedback, and advances discussions at meetings of the Leadership Council, ECB, and Science Panel, and (4) communicates back to represented entity on evolving strategies and actions. The groups are advisory; they do not make decisions.

Round 1 & 2 Funding

EPA awarded directly to Ecology approximately \$3,000,000 for Round 1 and \$5,480,000 for Round 2 for the Watershed grant. From these funds, Ecology in turn awarded \$900,000 for Round 1 and \$1,375,000 for Round 2 to Commerce so they could directly manage the Land Use and Working Lands investment area. Both agencies are combining Round 1 and 2 funds and moving forward with both non-competitive direct awards and competitive solicitations for proposals. These are the sub-awards that Ecology and Commerce are planning for Round 1 and 2 funds at this time:

- Establish Technical Assistance Team for Watershed Approach: will fund portions of FTEs for technical experts at various agencies for total of \$300,000 per year
- Develop Project List for Stormwater Retrofits: \$125,000 as Direct Award
- Update Western Washington Hydrology Model for Low Impact Development (LID): \$350,000 as Direct Award
- Develop LID Maintenance Procedures, Standards, and Training: \$100,000 as RFP
- Integrate Land Use Data w/Puget Sound Characterization Results: \$120,000 as Direct Award or REP
- Protect and Restore Freshwater Ecosystems: \$5,400,000 as RFP (up to 20 sub-awards of \$500,000 maximum)

These direct award projects and the general concept for our RFP were presented to the Strategic Advisory Committee for comment. Funding for the direct award projects is expected to be obligated over the next few months. Funding for the large RFP will be obligated by January 2012.

Six-Year Strategy

Ecology and Commerce will work with the Strategic Advisory Committee, as well as PSP, EPA, other state agencies and a variety of stakeholders to prepare a six-year strategy. The purpose of the six-year strategy is to effectively and strategically spend the NEP money during Rounds 3 through 6. We expect to begin drafting the six-year strategy in fall 2011, but will not complete it until the Puget Sound Action Agenda update is finalized. The current timeline for finalizing the update is February 2012.